



Green Marketing Tools and Methods Session

Start with the customer

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Presentation Overview

Examples of early PacifiCorp green power marketing efforts
to residential and business customers

Lessons learned and improvements to subsequent efforts
based on customer direction

How to stay close to your customers

Start with the customer

Effective marketing starts with knowing your customer

- ◆ Who they are
- ◆ What they want
- ◆ Where to find them
- ◆ What they need to know
- ◆ Who they listen to

Listening begins at program design

Ask customers what they want in a green energy program design

- Conduct focus groups
- See what other utilities have done successfully
- Get advice from stakeholders
- Build a program customers want. In our case they wanted:
 - ◆ “Block” product for predictable financial commitment
 - ◆ Wind as the preferred resource
 - ◆ Lowest cost available
 - ◆ Reassurance of the impact of their participation

Blue Sky residential program launch

If you build it they will come? Not exactly.

- Confident that we had the right program
- Thought we knew how to promote it
- Used targeted mass media, PR and bill inserts
- Program launch results were lower than expected

Residential focus group answers

We had problems with both our message and media

- We did not present the right amount or specific enough information
- Customers were extremely skeptical of utility motives
- Preferred objective information rather than “promotional”
- Our initial reach was too limited
- Customers needed to hear about the program from another trusted “voice”

Residential Participant Surveys

Surveys helped us understand who we were talking to

- Main reasons for participating
 - ◆ “To encourage alternative/renewable resources”
 - ◆ “Better for the environment”
 - ◆ “Support wind power”
- Lifestyle descriptions that fit them very well
 - ◆ Ecologist 60%
 - ◆ Fitness 47%
 - ◆ Home and Garden 42%
 - ◆ Outdoors 29%
- Education (some level of college) was a stronger purchase indicator than either age or income

A better approach to the message

Three key questions customers had to have answered

- ◆ If this is so great, why is the utility asking for MY help and not just doing it themselves?
- ◆ What is the utility's own commitment to renewable energy?
- ◆ Who else thinks this is good?

A better approach to the medium

Insert and PR changes

- Designed insert to be less promotional and more factual
- Answered the key questions straight on
- Increased use of the utility residential newsletter to promote the program
- Put more focus on gaining media coverage

A better approach to the medium, (cont.)

Mass media was too expensive to maintain at effective levels

- Could not expect insert and PR alone to succeed
- Tested outbound telemarketing
 - ◆ Designed as a courtesy call
 - ◆ Allows for more detailed conversations
 - ◆ Conducted in coordination with a bill insert as well as a limited direct mail test
 - ◆ Results were successful

A better approach to the medium, (cont.)

Renewable energy is an area where environmental organizations and utilities can work together

- Coordinated with grassroots outreach by local environmental group
- They placed stories in organization newsletter and spoke at meetings
- Submitted op-ed pieces to local papers
- Were able to gain environmental endorsements for utility program

Blue Sky business launch

Experienced a slow start

- Relied on utility account managers and their existing contacts
- Tested a direct mail campaign to targeted communities
- Neither worked well to generate renewable power purchases

Business focus group answers

Found many of the same issues as residential customers, plus a few more

- Traditional utility relationships were not the right people to approach
- Customer is very interested in details. This is more of a business decision for them
- One contact is not enough. Likely to have numerous meetings due to layers of decision makers
- Varying levels of expectation exist regarding the type of recognition businesses expect

A better approach to targeting

It begins with good targeting

- First know why a potential business participant would be interested in renewable energy
 - ◆ Environmental stewardship is part of corporate philosophy
 - ◆ Product has environmental features
 - ◆ Personal belief of the top manager
 - ◆ Experiencing poor environmental PR
- Know who the decision maker is and start as high up as possible

A better approach to business sales

A team approach is best

- Partnering with environmental organizations extremely powerful
 - ◆ They already have many of the right relationships
 - ◆ Their expertise provides needed validation of the environmental issues and program benefits
- Expect to make 4-5 contacts
- Approach the sale as a team
- Work closely with the customer to provide an appropriate level of recognition after they make their purchase

Staying in touch with your customers

It is important to stay close

- You'll learn about who they are in order to help you find more customers like them
- Retention

How to stay close

- Thank you letter
- Window stickers/plaques
- Surveys
- Newsletter
- Web site with email address
- Participant studies

In Summary

Start with the customer

- Get to know who and where they are
- Give them the information that they need
- Know who influences them
- Keep in touch